STATE OF NEW HAMPSHIRE
Department of Environmental Services
Air Resources Division

Title V Operating Permit

Permit No: **TV-OP-039**
Date Issued: **November 8, 2001**

This certifies that:
Monadnock Paper Mills, Inc.
117 Antrim Road
Bennington, NH 03442

has been granted a Title V Operating Permit for the following facility and location:
Monadnock Paper Mills, Inc.
117 Antrim Road
Bennington, NH 03442
AFS Point Source Number 3301100070

This Title V Operating Permit is hereby issued pursuant to RSA 125-C and Part Env-A 609. This permit has been prepared based on information specified in the Title V Operating Permit Application filed with the New Hampshire Department of Environmental Services on **July 1, 1996** and subsequent updates dated December 3 & 6, 1996 plus air emissions modeling dated July 7 & 9, 1997, and the Regulated Toxic Air Pollutants compliance Plan dated May 4, 2000 with associated modeling dated April 30, 2000, under the signature of the following responsible official certifying to the best of their knowledge that the statements and information therein are true, accurate and complete.

Responsible Official:
Paul M. Ciccone
V.P. Manufacturing
(603) 588-3311
Technical Contact:
Muriel Lajoie
Environmental Manager
(603) 588-3311

This Permit is issued by the New Hampshire Department of Environmental Services, Air Resources Division pursuant to its authority under New Hampshire RSA 125-C and in accordance with the provisions of Code of the Federal Regulations 40 Part 70.

This Title V Operating Permit shall expire on **November 30, 2006**.

SEE ATTACHED SHEETS FOR ADDITIONAL PERMIT CONDITIONS

For the New Hampshire Department of Environmental Services, Air Resource Division

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Director, Air Resources Division

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Facility Specific Title V Operating Permit Conditions

I. Facility Description of Operations:

Monadnock Paper Mills, Inc. ("MPM") is a non-integrated paper mill producing a variety of paper grades from purchased pulp. Products include wallpaper, abrasive paper backings, medical packaging paper, graphic arts papers, and book covers for elementary and high school text books. The mill is composed of the following: two paper machines with stock preparation equipment, on-machine coating application, steam-heated dryers, and other support equipment; two 30,000 pounds steam per hour boilers; a 1.8 mmBtu/hour emergency generator; and an existing off-machine coater. Depending upon grade of paper produced, coatings can be applied at the size press on either of the two paper machines, just prior to the last dryer section or on the existing off-machine coater.

II. Permitted Activities:

In accordance with all of the applicable requirements identified in this permit, the permittee is authorized to operate the devices and or processes identified in Sections III, IV, and V within the terms and conditions specified in this Permit.

III. Significant Activities Identification:

A. The activities identified in the following table (Table 1) are subject to and regulated by this Title V Operating Permit:

Table 1 - Significant Activity Identification

Emission Unit Number (EU#)	Description of Emission Unit	Exhaust Stack Identification	Emissions Unit Maximum Allowable Permitted Capacity
EU1	Babcock & Wilcox Boiler #1 (Built in 1960)	No. 112 (combined stack for EU1 and EU2)	30,000 pounds per hour steam production at 250 psig and 406 degrees F; fuel input to the boiler being either No. 6 fuel oil or blend of No. 6 fuel oil with on-site generated on-specification (on-spec) or off-specification (off-spec) used oil in accordance with Conditions VIII.B.1., 2., 3., & 4., with a maximum sulfur content of 1.5% by weight, and a rolling 12 consecutive month fuel use limit of 3,942,000 gallons for EU1 and EU2 combined.

Table 1 - Significant Activity Identification			
EU2	Babcock & Wilcox Boiler #2 (Built in 1960)	No. 112 (combined stack for EU1 and EU2)	30,000 pounds per hour steam production at 250 psig and 406 degrees F; fuel input to the boiler being either No. 6 fuel oil or blend of No. 6 fuel oil with on-site generated on-spec or off-spec used oil in accordance with Conditions VIII.B.1., 2., 3., & 4., with a maximum sulfur content of 1.5% by weight, and a rolling 12 consecutive month fuel use limit of 3,942,000 gallons for EU1 and EU2 combined.
EU3[1]	No. 1 Paper Machine	No's. 41, 43, 83, 84, 85, 86, 91, 93	Coatings to be in compliance with VOC RACT limitation of 2.9 lbs VOC per gallon, as applied, excluding water and exempt compounds
EU4[2]	No. 2 Paper Machine	No's.40, 42, 33, 34, 35, 37, 92	Coatings to be in compliance with VOC RACT limitation of 2.9 lbs VOC per gallon, as applied, excluding water and exempt compounds
EU5	Coater #1	No. 46	8.4 mmBtu/hr propane fired dryer; Coatings to be in compliance with VOC RACT limitation of 2.9 lbs VOC per gallon, as applied, excluding water and exempt compounds
EU6	All MPM Emergency Generators (See Appendix A for a listing of all Emergency Generators located at the Monadnock Paper Mill facility.)	Stacks vary	Less than 500 hours of operation during any consecutive 12-month period for any individual unit and the combined theoretical potential emissions of NOX from all such generators are limited to less than 25 tons for any consecutive 12-month period

[1] Stacks 83, 84, 85, 86, 91, & 93 in the No. 1 Paper Machine Area are small unquantifiable sources whose fugitive emissions are accounted for in Stacks No. 41 and 43.

[2] Stacks 33, 34, 35, 37, & 92 in the No. 2 Paper Machine Area are small unquantifiable sources whose fugitive emissions are accounted for in Stacks No. 40 and 42.

Stack Criteria:

B. The following stacks for the above listed significant devices at this facility shall discharge vertically without obstruction (no rain caps) and meet the following criteria in accordance with the state-only modeling requirements specified in Env-A 1300 and Env-A 1400:

Table 2 - Stack Criteria

Stack #	Minimum Stack Height (Feet)	Maximum Stack Diameter (Feet)
No. 112 - EU1 & EU2 (Boilers)	121.0	6.0
No. 41 EU3 (No. 1 Machine)	60.0	5.125
No. 43 EU3 (No. 1 Machine)	60.0	5.125
No. 40 EU4 (No. 2 Machine)	60.0	5.125
No. 42 EU4 (No. 2 Machine)	60.0	5.125
No. 46 EU5 (#1 Coater)	61.0	2.33
No. 98 EU6 (Emerg. Generator)	15.0	0.5

Preauthorized changes to the state-only requirements pertaining to stack parameters (set forth in this permit), shall be permitted only when an air quality impact analysis which meets the criteria of Env-A 606 is performed either by the facility or the New Hampshire Department of Environmental Services, Air Resources Division (DES) [if requested by the facility in writing] in accordance with the "DES Policy and Procedure for Air Quality Impact Modeling". All air modeling data shall be kept on file at the facility for review by the DES upon request.

IV. Insignificant Activities Identification:

All activities at this facility that meet the criteria identified in the New Hampshire Rules Governing the Control of Air Pollution Part Env-A 609.03(g), shall be considered insignificant activities. Emissions from the insignificant activities shall be included in the total facility emissions for the emission-based fee calculation described in Section XXIII of this Permit.

V. Exempt Activities Identification:

All activities identified in the New Hampshire Rules Governing the Control of Air Pollution Env-A 609.03(c) shall be considered exempt activities and shall not be subject to or regulated by this Title V Operating Permit.

VI. Pollution Control Equipment Identification:

The devices and/or processes identified in Table 1 do not operate with any pollution control equipment.

VII. Alternative Operating Scenarios:

No alternative operating scenarios were identified for this Permit.

VIII. Applicable Requirements:

A. State-only Enforceable Operational and Emission Limitations:

The Permittee shall be subject to the state-only operational and emission limitations identified in Table 3 below.

Table 3 - State-only Enforceable Operational and Emission Limitations

Item #	Regulatory Cite	Applicable Emission Unit	Applicable Requirement
1.	Env-A 404.01	EU1 & EU2	Sulfur Dioxide emissions from each Class B major source, shall have an average emission rate of 1.6 pounds of sulfur dioxide per million Btu input, equivalent to no. 6 oil with 1.5 percent sulfur by weight. MPM shall be required to use No. 6 oil with a maximum of 1.5 percent sulfur by weight.
2.	Env-A 1305.01(a)	Facility Wide[3]	New or modified devices, new or modified area sources, and existing devices or area sources for which new applications for permits are filed that have the potential to emit, in any amount, substances that meet the criteria of Env-A 1301 shall be subject to Env-A 1300, until such time as the Env-A 1400 requirements supersede the Env-A 1300 requirements. (As outlined below)
3.	Env-A 1305.02	Facility Wide	Air quality impact analysis of devices and area sources emitting substances meeting the criteria of Env-A 1301 shall be performed in accordance with the "DES Policy and Procedure for Air Quality Impact Modeling" or other comparable dispersion modeling methods approved by EPA.
4.	Env-A 1403.01	Facility Wide	In accordance with Env-A 1403.01, new or modified devices or processes installed after May 8, 1998, shall be subject to the requirements of Env-A 1400.
5.	Env-A 1403.02(a)	Facility Wide	In accordance with 1403.02(a), all existing unmodified devices or processes which are in operation during the transition period ending three years from May 8, 1998 (May 8, 2001), shall comply with either Env-A 1300 or Env-A 1400.
6.	Env-A 1403.02(b)	Facility Wide	In accordance with Env-A 1403.02(b), all existing devices or processes in operation after the transition period ending three years from May 8, 1998 (May 8, 2001), shall comply with Env-A 1400. Env-A 1300 will no longer be in effect.
7.	Env-A 1404.01(d)	Facility Wide	In accordance with Env-A 1404.01(d), documentation for the demonstration of compliance shall be retained at the site, and shall be made available to the DES for inspection.
8.	Env-A 1405.02	Facility Wide	In accordance with Env-A 1405.02 the owner of an existing device or process requiring a permit modification under chapter Env-A 1400 shall submit to the DES no later than one year prior to the end of the transition period (May 8, 2000), an application for a modification to a title V permit in accordance with Env-A 609.18, and a request to the DES to perform air dispersion modeling.
9.	Env-A 1405.03	Facility Wide	In accordance with Env-A 1405.03 the owner of an existing device or process requiring a permit under Env-A 1300 shall submit to the DES no later than one year prior to the end of the transition period (May 8, 2000), a compliance plan identifying how the device or process will comply with chapter Env-A 1400 by the end of the transition period. The compliance plan shall contain the dates when the information required in Env-A 1405.02 will be filed with the DES.

[3] Facility Wide shall include all significant and insignificant activities at the facility.

Table 3 - State-only Enforceable Operational and Emission Limitations			
10.	Env-A 1406.01	Facility Wide	In accordance with Env-A 1406.01 the owner of any device or process which emits a regulated toxic air pollutant shall determine compliance with the ambient air limits by using one of the methods provided in Env-A 1406.02, Env-A 1406.03, or Env-A 1406.04. Upon request, the owner of any device or process which emits a regulated toxic air pollutant shall provide documentation of compliance with the ambient air limits to the DES. In order to ensure compliance with Env-A 1400, relative to formaldehyde, MPM will do the following: A. Each week, MPM will project forward a 4-week paper machine schedule (if order backlog exists) to determine combined formaldehyde impacts from the facility's paper machines and coater; B. MPM will develop emissions estimates based on previous runs of each formaldehyde-containing grade for each machine. These emissions estimates shall be used in conjunction with the modeling submitted to DES on May 4, 2000 to determine the impact, in **micrograms per cubic meter**, at the property line. If more recent approved modeling becomes available during the term of this permit, MPM shall use those values to determine the impact. This value will be compared to the Ambient Air Limit (AAL) for formaldehyde listed in the Table in Env-A 1450.01.; C. The formaldehyde emission rates at the wet end of the paper machines will be calculated using the NCASI value of 0.65% of the dry resin applied.[4]; D. The formaldehyde emission rates at the dry end (size press) of the paper machines will be based on Acetyl Acetone emissions testing conducted in August 1993 for the grade 2109-076, and prorated to other grades based on application rate of resin, machine speed, deckle and other production related conditions as may be appropriate.; E. Each formaldehyde emission rate default value will be verified and updated semi-annually, if necessary, using the methods above, beginning with the 6-month period ending June 30, 2001, if the grade is manufactured during that period. The subsequent 6-month's emission rate default value will be based on the revised information.; F. The emission rates and associated impacts presented in the spreadsheet of the August 1, 2000 correspondence from MPM, based on values submitted in MPM's May 4, 2000 compliance schedule, will be used to predict compliance until the first verification cycle.; and G. MPM will make a good faith effort to coordinate the paper machine and coater operating schedules in order to maintain compliance with the AAL Limits for formaldehyde contained in the Table in Env-A 1450.01. * If compliance can be demonstrated through stack testing data and ambient air dispersion modeling analyses that the facility is in compliance with AALs for formaldehyde at maximum worst case scenario conditions for the paper machines and coaters combined, then Conditions A. through G., mentioned above, will no longer be applicable.

[4] Unpublished National Council of the Pulp and Paper Industry for Air and Stream Improvement (NCASI) Study, A Procedure for the Calculation of Emission Inventories or Measurement of Formaldehyde Emissions from Paper Machine Dryers When Manufacturing Wet Strength Papers with Formaldehyde Based Resins, dated June 1992.

Table 3 - State-only Enforceable Operational and Emission Limitations			
10.	Env-A 1406.01 (Continued)	Facility Wide	To demonstrate compliance with Env-A 1400 for other chemical compounds, MPM will do the following: H. Annual review of all existing Regulated Toxic Air Pollutants (RTAPs) in use and emitted. I. Review of all new RTAPs prior to their use to ensure AALs are not exceeded. J. Use of deminimus calculations, adjusted in-stack concentrations, DES approved modeling or the following formula to ensure RTAP AALs are not exceeded: $AAL_{(RTAP)} / MI_{(RTAP)} = ER_{(RTAP)}$ Where: $AAL_{(RTAP)}$ = Ambient Air Limit in ug/m3 $MI_{(RTAP)}$ = Modeled Maximum Impact in ug/m3/lb/hr $ER_{(RTAP)}$ = Actual Allowable Emission Rate of the RTAP in lb/hr

VIII. B. Federally Enforceable Operational and Emission Limitations

The Permittee shall be subject to the federally enforceable operational and emission limitations identified in Table 4 below.

Table 4 - Federally Enforceable Operational and Emission Limitations

Item #	Regulatory Cite	Applicable Emission Unit	Applicable Requirement
1.	40 CFR 52[5]	EU6	The sulfur content of No. 2 fuel oil shall not exceed 0.4 percent sulfur by weight.
2.	40 CFR 70.6(a)(3)(i)(B)	EU1 & EU2	The combustion of used oil at the facility shall be subject to the following contaminant concentration requirements as verified through analysis: Constituent/Property — On-spec used oil Allowable Level — Off-spec used oil Allowable Level Sulfur (% by weight) — No more than 1.5% S — No more than 1.5% S Arsenic — 5.0 ppm maximum — 18.0 ppm maximum Cadmium — 2.0 ppm maximum — 10.0 ppm maximum Chromium — 10.0 ppm maximum — 35.0 ppm maximum Lead[6] — 100.0 ppm maximum — 660 ppm maximum Total Halogens — 1000.0 ppm maximum — Not Applicable PCBs — Less than 2.0 ppm — Less than 50.0 ppm Flash Point — Not Applicable — 100 deg F minimum
3.	Env-Wm 807.03(b)	EU1 & EU2	MPM shall comply with all the requirements listed in 40 CFR 761.20(e)(3) to burn, under normal operating temperatures, quantifiable levels (2 to less than 50.0 ppm) of PCBs contained in the on site generated used oil.
4.	40 CFR 70.6(c)(1)	EU1 & EU2	The used oil generated on site shall be analyzed for the properties listed in condition VIII.B.2. before blending occurs. The New Hampshire Department of Environmental Services, Waste Management Division and U.S. Environmental Protection Agency must be notified and their approval obtained for used oil recycling. Monadnock Paper Mills, Inc. shall comply with all the requirements under Env-Wm Chapter 800 Requirements For Recycling of Hazardous Wastes.
5.	Env-A 1204.10(c)	EU3, EU4, & EU5	Those processes applying a coating to any woven or non-woven, fibrous or non-fibrous substrate, including paper, fabric, glass matting, plastic film, ribbon, and magnetic tapes shall be limited at all times to an emission rate of 0.35 kg/1 (2.9 lb VOC/gallon) of coating, as applied, excluding water and exempt compounds.
6.	Env-A 1211.02(j)(1)&(2)	EU6	The emergency generator shall be limited to less than 500 hours of operation during any consecutive 12 month period and the combined theoretical potential emissions of NOx from all such generators are limited to less than 25 tons for any consecutive 12 month period of time.

[5] Env-A 402.02(a), effective on December 27, 1990, was adopted as part of the State Implementation Plan (SIP) on September 14, 1992 and is still considered federally enforceable until such time as the SIP is amended and approved by the EPA.

[6] Ambient air dispersion modeling conducted on the boilers for burning off-spec used oil at a 450 gallon per day limit showed that the lead content of any off-spec used oil must be less than or equal to 660 ppm, which is lower than the off-spec oil limit of 1000 ppm lead contained in Env-Wm 807.03.

Table 4 - Federally Enforceable Operational and Emission Limitations			
7.	RSA 125-C:6, RSA 125-C:11, and Env-A 606.04	EU1 & EU2	The boilers shall be limited to a consecutive 12 month combined total of 3,942,000 gallons of No. 6 oil with a maximum sulfur content of 1.5 percent by weight, in order to meet national ambient air quality standards for sulfur dioxide (annual standard). In addition, the boilers shall be limited to burning less than or equal to 450 gallons per day of on-site generated on-spec or off-spec used oil. Lead concentration in off-spec used oil must be less than 660 ppm, which is lower than the limit of 1000 ppm lead contained in Env-Wm 807.03.
8.	Env-A 2003.01 and Env-A 2507.02	EU1 & EU2	No owner or operator shall cause or allow average opacity from fuel burning devices installed on or prior to May 13, 1970 in excess of 40 percent for any continuous 6 minute period in any 60 minute period.
9.	Env-A 2003.02 and Env-A 2508.02	EU5 & EU6	No owner or operator shall cause or allow average opacity from fuel burning devices installed after May 13, 1970 in excess of 20 percent for any continuous 6 minute period in any 60 minute period.
10.	Env-A 2003.06 and Env-A 2507.01	EU1 & EU2	No owner or operator shall cause or allow emissions of particulate matter from fuel burning devices installed on or prior to May 13, 1970 in excess of the rates set forth below, where: (A) "E" means the maximum allowable particulate matter emission rate in $lb/10^6$ BTU; (B) "I" means the maximum gross heat input rate in 10^6 BTU/hr; (C) For devices with I less than 10, E shall be equal to 0.60; (D) For devices with I equal to or greater than 10 but less than 10,000, E shall be calculated by raising I to the -0.166 power, and multiplying the result by 0.880, expressed mathematically in the formula below: $E = 0.880\ I^{-0.166}$ (E) E (EU1 & EU2) = 0.48 $lb/10^6$ BTU Compliance can be verified by using fuel usage rate fired and use of AP-42 emission factors.
11.	Env-A 2003.07	EU6	No owner or operator shall cause or allow emissions of particulate matter from fuel burning devices installed after May 13, 1970 but before January 1, 1985 in excess of the rates set forth below, where: (A) "E" means the maximum allowable particulate matter emission rate in $lb/10^6$ BTU; (B) "I" means the maximum gross heat input rate in $l0^6$ BTU/hr; (C) For devices with I less than 10, E shall be equal to 0.60; (D) E (EU6) = 0.6 $lb/10^6$ BTU Compliance can be verified by using fuel usage rate fired and use of AP-42 emission factors.
12.	Env-A 2003.08 and Env-A 2508.01	EU5	No owner or operator shall cause or allow emissions of particulate matter from fuel burning devices installed on or after January 1, 1985, in excess of the rates set forth below, where: (A) "E" means the maximum allowable particulate matter emission rate in $lb/10^6$ BTU; (B) "I" means the maximum gross heat input rate in $l0^6$ BTU/hr; (C) For devices with I less than 100, E shall be equal to 0.30; (D) E (EU5) = 0.30 $lb/10^6$ BTU Compliance can be verified by using fuel usage rate fired and use of AP-42 emission factors.

Table 4 - Federally Enforceable Operational and Emission Limitations			
13.	40 CFR 68	Facility Wide	The facility is subject to the Purpose and General Duty clause of the 1990 Clean Air Act, Section 112(r)(1), which states: "Identify hazards which may result from such releases using appropriate hazard assessment techniques; to design and maintain a safe facility taking such steps as are necessary to prevent releases; and to minimize the consequences of accidental releases which do occur."
14.	40 CFR 70.6(a)(1)	Facility Wide	The facility is limited to less than 10 tons per year of any individual federal hazardous air pollutant (HAP)emissions and less than 25 tons per year emissions for all HAPs combined. If MPM exceeds these emissions limitations it may be subject to National Emission Standards for Hazardous Air Pollutants (NESHAP) contained in 40 CFR 63.

VIII. C. Emission Reductions Trading Requirements

"The Permittee did not request emissions reductions trading in its operating permit application. At this point, DES has not included any permit terms authorizing emissions trading in this permit. All emission reductions trading, must be authorized under the applicable requirements of either Env-A 3000 (the "Emissions Reductions Credits (or ERCs) Trading Program") or Env-A 3100 (the "Discrete Emissions Reductions (or DERs) Trading Program") and 42 U.S.C. §7401 et seq. (The "Act"), and must be provided for in this Permit."

VIII. D. Monitoring/Testing Requirements

The Permittee is subject to the monitoring/ testing requirements as contained in Table 5 below:

Table 5 - Monitoring/Testing Requirements

Item #	Control Device	Parameter	Method of Compliance	Frequency of Method	Regulatory Cite
1.	EU1, EU2, EU3, EU4, EU5, EU6	Allows for adequate dispersion of HAPs and other regulated pollutants	Conduct an annual inspection of each stack and fuel burning device. Inspections shall include documenting any leaks, holes, rusting and/or disrepair of stacks. Inspections of fuel burning equipment shall follow either manufacturers recommended checks or insurance carrier and National Fire Protection Association Guidelines. Records of inspections and subsequent maintenance conducted as a result of the annual inspections shall be kept on file at the facility for review by the DES and/or EPA upon request.	Annually	40 CFR 70.6(a)(3) Federally Enforceable
2.	EU1 & EU2	NOX RACT Compliance	Annually, before April 1st of each year, the permittee shall perform an efficiency test using the test procedures specified in ASME/ANSI Boiler Test Code 4.1 and adjust the combustion process of the boiler in accordance with the procedures specified in Chapter 5, Combustion Efficiency Tables, Taplin, Harry R., Fairmont Press, 1991.	Annually, before April 1st	Env-A 1211.05(b)(1) Federally Enforceable
3.	EU1, EU2, EU5, & EU6	Fuel Sulfur Content Verification	The operator shall conduct testing using the appropriate ASTM method or retain certified delivery tickets which state the weight percent of sulfur for each delivery of fuel oil to determine compliance with the sulfur content limitation provisions in this permit for liquid fuels in order to meet the reporting requirements specified in Env-A 900. If the fuel supplier blends quantities of differing sulfur content fuel oil, the delivery ticket will state proportions of each fuel oil and the associated sulfur content so the sulfur content by weight for the delivery can readily be determined.	For each delivery	Env-A 809 State-only Enforceable & 40 CFR 70.6(a)(3) Federally Enforceable
4.	EU1 & EU2	Opacity Measurement	Opacity measurements shall be conducted following the procedures set forth in 40 CFR Part 60, Appendix A, Method 9, VISUAL DETERMINATION OF THE OPACITY OF EMISSIONS FROM STATIONARY SOURCES. The opacity measurements shall be taken during the annual boiler efficiency testing.	During annual efficiency test	Env-A 810.03 Federally Enforceable

Table 5 - Monitoring/Testing Requirements					
5.	EU1 & EU2	On-site Used Oil Analysis	A representative sample of on-site generated used oil shall be analyzed prior to transferring and blending each batch (450 gallons maximum) with No. 6 fuel oil. The on-site generated used oil must be below the following maximum allowable concentrations in order to be blended with No. 6 fuel oil and burned in the boilers: Maximum Allowable Concentrations in Used Oil: Constituent / On-spec / Off-spec Sulfur(% by wt) 1.5% 1.5% Arsenic 5.0 ppm 18.0 ppm Cadmium 2.0 ppm 10.0 ppm Chromium 10.0 ppm 35.0 ppm Lead 100 ppm 660 ppm Total Halogens 1000 ppm Not applic. PCB's 2.0 ppm 50.0 ppm Flash Point Not applic. 100 deg F	Prior to burning a 450 gallon batch of on-site generated used oil with No. 6 fuel oil	40 CFR 70.6(a)(1) Federally Enforceable

Table 5 - Monitoring/Testing Requirements					
6.	EU3, EU4, & EU5	Testing of Coatings for VOC RACT Compliance	All coating formulations used on the size presses of the paper machines No. 1 and No. 2 and on the paper coater at the MPM facility shall be either tested using Methods below or the facility will retain sufficient records for prima facie evidence in support of demonstrating compliance with the limit of 2.9 pounds VOC per gallon of coating, as applied, excluding water and exempt compounds.: (A) Method 24, 40 CFR Part 60, Appendix A at 1-hour bake time, or an alternative test method approved by the director in accordance with Env-A 807.01; or (B) Method 24A, 40 CFR Part 60, Appendix A, or an alternative test method approved by the director in accordance with Env-A 807.01. For multi component coatings, the following procedures shall be used in addition to prima facie evidence, Method 24 of 40 CFR 60, Appendix A, or an alternative test method approved by the Director in accordance with Env-A 807.01 (Regulatory Cite Env-A 803.03(d)): 1. Separate samples of each component shall be obtained; 2. The components shall be mixed in a container in the same proportions as those in the coating, as applied; 3. The container in which mixing takes place shall be closed between additions and during mixing; 4. About 100 ml of coating shall be prepared in a container just large enough to hold the mixture prior to withdrawing a sample; and 5. A sample shall be withdrawn from the mixed coating and then transferred to a dish which shall be weighed and then allowed to stand for at least one hour, but not more than 24 hours prior to being oven dried at 110 degrees C for one hour. Upon request by DES or EPA, MPM may be required to take samples of as applied coatings and have testing conducted using one of the Methods above or alternative approved by the Director for demonstration of compliance with the 2.9 lb VOC/gal limit.	One time for existing and new coating formulations and when an existing coating is reformulated or there is a change in supplier of a component containing VOCs.	Env-A 803.03 Federally Enforceable

Table 5 - Monitoring/Testing Requirements					
7.	EU3, EU4, & EU5	State Air Toxics Compliance Demonstration	Monadnock Papers (MPM) is required to demonstrate compliance with the Ambient Air Limits (AAL) listed in the New Hampshire Code of Administrative Rules, Chapter Env-A 1400, Regulated Toxic Air Pollutants for both normal and maximum worst case operating scenarios through air dispersion modeling impact analyses or another method specified in Env-A 1406.01. MPM must conduct stack testing by March 1, 2001 for formaldehyde from the paper machines and coater. MPM must use one of the following three test methods listed below or an alternative method approved by the Director. All such testing must be performed by a third party familiar with the referenced test methods or approved alternative test methods. NCASI Method CI/S6/Pulp-94.02 NCASI Method CI/WP-98.01 EPA Methods TO-5 and TO-11 (DPNH sample collection/HPLC analysis) Testing must be planned and carried out in accordance with the following schedule: 1. At least 30 days prior to the testing, MPM must submit to the Division a pretest report containing the following: a. Calibration methods and sample data sheets; b. Description of test methods to be used; c. Pre-test preparation procedures; d. Sample analysis/collection methods; e. Where samples are to be collected; f. Process data to be collected; and g. Complete test program description. 2. At least 15 days prior to the test date, MPM and the contractor it retains for performance of the testing, must participate in a pretest conference with a Division representative. 3. Emission Testing must be carried out under the observation of a Division representative. 4. Within 30 days of test completion, MPM must submit a test report to the Division.	Performed once, prior to March 1, 2001	Env-A 1406 RSA 125-C:6,XI State-only Enforceable

VIII. E. Record keeping Requirements[7]

The Permittee is subject to the Record keeping requirements as contained in Table 6 below:

Table 6 - Applicable Record keeping Requirements

Item #	Record keeping Requirement	Frequency of Record keeping	Applicable Emission Unit	Regulatory Cite Federally Enforceable or State-Only Enforceable
1.	The Permittee shall retain records of all required monitoring data, record keeping and reporting requirements and support information for a period of at least 5 years from the date of the origination.	Retain for a minimum of 5 years	Facility wide	40 CFR 70.6(a)(3)(ii)(B) Federally Enforceable
2.	The permittee shall maintain records of monitoring and testing as specified in Table 5 of this permit, which includes the following items: (A) Preventative maintenance and inspection results for stacks and fuel burning devices; (B) Fuel sulfur content verification; (C) On-site generated used oil analyses; (D) Opacity data; (E) Boiler NOX RACT tuneup results; and (F) Coatings VOC content (proof of compliance with the 2.9 lb VOC/gal limit, i.e. Method 24, Method 24A, other Director approved test method results, or all supporting information for prima facie evidence).	Maintain on a continuous basis as specified in Table 5 of this permit	Facility wide	40 CFR 70.6(a)(3)(iii)(A) Federally Enforceable
3.	Monthly or period records of fuel utilization shall be kept at the facility and contain the following information: (A) Consumption; (B) Fuel type; (C) Sulfur content as percent sulfur by weight of fuel; (D) Btu content per gallon or cubic feet of fuel; and (E) Hours of operation of the boilers, coaters, and diesel emergency generator.	Monthly & consecutive 12 month rolling total or period(s) & consecutive 13 period rolling total of fuel consumption	EU1, EU2, EU5, & EU6	Env-A 903.03 State-Only Enforceable & Env-A 901.03 Federally Enforceable (See footnote)
4.	Monthly records of on-site generated used oil used as fuel for the boilers and results of used oil chemical analysis as required by permit Section VIII.D.5.	Monthly & consecutive 12 month rolling total of used oil consumption	EU1 & EU2	Env-A 901.03 Federally Enforceable

[7] On April 23, 1999, DES promulgated new Env-A 900 regulations in an attempt to streamline the record keeping and reporting requirement sections of the New Hampshire Code of Administrative Rules. Until such time that the new Env-A 900 regulations are approved and adopted into the State Implementation Plan (SIP) by EPA, all Title V Permits will be incorporating the old Env-A 900 regulations (which became effective on November 11, 1992), unless the new Env-A 900 regulations are more stringent. The record keeping and reporting requirements contained in this permit are those requirements which the facility shall be required to comply with. These record keeping and reporting requirements shall fall under the Permit Shield provisions as contained in Section XIII of this permit.

Table 6 - Applicable Record keeping Requirements				
5.	Period records shall be kept regarding the beginning inventory, quantity purchased, quantity consumed, and ending inventory of raw materials used, including chemicals and coating components used. Period records shall be kept of tons of paper produced on the paper machines, pounds or tons of paper coated for the coater, and hours of operation for this equipment.	For each 28-day period and annually[8]	Facility Wide	Env-A 903.02 State-Only Enforceable & Env-A 901.04 Federally Enforceable (See footnote)

[8] On September 2, 1999, DES granted MPM permission to use a 13-period, 28-day accounting period for a calendar year as the period of record for the two paper machines and the paper coater rather than the standard monthly period referred to in Env-A 901.04 and Env-A 901.06.

Table 6 - Applicable Record keeping Requirements				
6.	VOC Record keeping Requirements: For all applicable facilities and devices, the following information shall be recorded and maintained at the facility: (A) Facility information, including: 1. Source name; 2. Source identification; 3. Physical address; and 4. Mailing address; (B) Identification of each VOC-emitting device or process, except: 1. Processes or devices associated exclusively with non-core activities, as defined in Env-A 1204.03; and 2. Processes or devices emitting only exempt VOCs. (C) Operating schedule information for each VOC-emitting device or process identified in (B), above, including: a. Days of operation per calendar week during the normal operating schedule; b. Hours of operation per day during the normal operating schedule and for a typical high ozone season day, if different from the normal operating schedule; and c. Hours of operation per year under normal operating conditions; (D) The following VOC emission data: 1. Annual theoretical potential emissions, as determined in accordance with the applicable section(s) of Env-A 803, using the VOC content for the calculation year for each VOC-emitting device or process identified in (B), above, for: a. Each year, in tons per year; and b. A typical day during the high ozone season of each year, in pounds per day; 2. Actual VOC emissions from each VOC-emitting device or process identified in (B), above for: a. Each year, in tons per year; and b. A typical day during the high ozone season of each year, in pounds per day; 3. Estimated emissions method code; and 4. Applicable emission factors, if used to calculate emissions. (E) The calculation of emission estimates pursuant to (D), above, for a typical high ozone season day shall be based on the mean of the parameters relating to operating and process rate conditions during the high ozone season.	Daily and annually	Facility Wide	Env-A 901.06(a), (b), (c), & (d) Federally Enforceable

Table 6 - Applicable Record keeping Requirements				
7.	VOC Record keeping requirements for surface coating and printing operations: For all surface coating and printing operations, the following information shall be recorded and maintained: (A) Coating formulation and analytical data, as follows: (1) Supplier; (2) Name and color; (3) Type; (4) Identification number; (5) Density described as lbs/gal; (6) Total volatiles content described as weight percent; (7) Water content described as weight percent; (8) Exempt solvent content described as weight percent; (9) VOC content described as weight; (10) Solids content described as volume percent; (11) Diluent solvent name and identification number used with each coating; (12) Diluent solvent density described as lbs/gal; (13) Diluent VOC content described as weight percent; (14) Diluent exempt solvent content described as weight percent; (15) Volume of diluent VOC described as gal; and (16) Diluent/solvent ratio described as gal diluent solvent/gal coating. (B) For the paper machines, record the following information: (1) Tons of paper produced for each grade of paper on a period basis (period basis as defined in Footnote 5 of this permit); (2) Total quantities of each coating component used on a period basis; (3) Total VOC's emitted, on a yearly basis; and (4) Individual and total annual HAP emissions. (C) For the coater, record the following information: (1) Pounds of paper produced for each grade on a period basis; (2) Total quantities of each coating used on a period basis; (3) Total VOC's emitted, on a yearly basis; and (4) Individual and total annual HAP emissions.	For each 28-day period and annually	EU3, EU4, & EU5	Env-A 901.06(a), (b), (c), & (d) Federally Enforceable

Table 6 - Applicable Record keeping Requirements				
8.	NOx Record keeping Requirements: For fuel burning devices and incinerators, including boilers, turbines, and internal combustion engines, the following information shall be recorded and maintained: (A) Facility information, including: 1. Source name; 2. Source identification; 3. Physical address; and 4. Mailing address. (B) Identification of fuel burning device or incinerator; (C) Operating schedule information for each fuel burning device or incinerator identified in (B), above, including; 1. Days per calendar week during the normal operating schedule; 2. Hours per day during the normal operating schedule and for a typical ozone season day, if different from the normal operating schedule; and 3. Hours per year during the normal operating schedule; (D) Type, and amount of fuel or waste burned, for each fuel burning device or incinerator, during normal operating conditions and for a typical ozone season day, if different from normal operating conditions, on an hourly basis in million Btu's per hour or, for incinerators, in tons per hour; (E) The following NOx emission data, including records of total annual emissions, in tons per year, and typical ozone season day emissions, in pounds per day, shall be maintained at the facility: 1. Theoretical potential emissions for the calculation year for each fuel burning device or incineration unit; and 2. Actual NOx emissions for each fuel burning device or incineration unit.	Daily and annually	Facility Wide	Env-A 901.08 Federally Enforceable
9.	The permittee shall maintain records of NOx RACT Testing Results for the boilers in a permanently bound log book containing the following information: 1. The date(s) on which: a. The efficiency test was conducted; and b. The combustion process was last adjusted; 2. The name(s), title and affiliation of the person(s) who: a. Conducted the efficiency test; and b. Made the adjustments; 3. The NOx emission concentration, in ppmvd, corrected to 15% oxygen, after the adjustments are made; 4. The CO emission concentration, in ppmvd, corrected to 15% oxygen, after the adjustments are made; and 5. The opacity readings	Maintain on a continuous basis as specified in Table 5 of this permit	EU1 & EU2	Env-A 1211.05(b)(2) & 40 CFR 70.6(a)(3)(iii)(A) Federally Enforceable

VIII. F. Reporting Requirements[9]

The Permittee is subject to the reporting requirements as contained in Table 7 below:

	Table 7 - Applicable Reporting Requirements			
Item #	Reporting Requirement	Frequency of Reporting	Applicable Emission Unit	Regulatory Cite Federally Enforceable or State-Only Enforceable
1.	VOC Reporting Requirements: All sources subject to the reporting requirements of this section shall submit the following information to the director in accordance with the schedule in Env-A 901.07(h): (A) Facility information, including: 1. Source name; 2. Source identification; 3. Physical address; 4. Mailing address; and (B) Identification of each device or process operating at the source identified in (A), above; (C) Operating schedule information for each device or process identified in (B), above, including such information for: 1. A typical business day; and 2. A typical high ozone season day, if different from a typical business day; and (D) Total quantities of actual VOC and NOx emissions for the entire facility and for each device or process identified in (B), above, including: 1. Annual VOC emissions, and 2. Typical high ozone season day VOC emissions.	Annually (no later than April 15th of the following year) to DES	Facility Wide	Env-A 901.07(b) Federally Enforceable
2.	NOx Reporting Requirements: For fuel burning devices and incinerators, including boilers, turbines and engines, as well as asphalt plant dryers and miscellaneous sources, the owner or operator shall submit to the director, annually (no later than April 15th of the following year), reports of the data required by Condition VIII.E., Table 6, Item 7., including total annual quantities of all NO_x emissions.	Annually (no later than April 15th of the following year) to DES	Facility Wide	Env-A 901.09 Federally Enforceable

[9] On April 23, 1999, DES promulgated new Env-A 900 regulations in an attempt to streamline the record keeping and reporting requirement sections of the New Hampshire Code of Administrative Rules. Until such time that the new Env-A 900 regulations are approved and adopted into the State Implementation Plan (SIP) by EPA, all Title V Permits will be incorporating the old Env-A 900 regulations (which became effective on November 11, 1992), unless the new Env-A 900 regulations are more stringent. The record keeping and reporting requirements contained in this permit are those requirements which the facility shall be required to comply with. These record keeping and reporting requirements shall fall under the Permit Shield provisions as contained in Section XIII of this permit.

	Table 7 - Applicable Reporting Requirements			
3.	The permittee shall submit to the DES an annual emissions report by April 15th for the previous calendar year. The annual emissions report will include the following information: (A) The actual emissions of the stationary source, area source, or device and the methods used in calculating such emissions in accordance with Env-A 704.02; (B) For process operations, all information in accordance with Env-A 903.02; (C) For combustion devices, all information in accordance with Env-A 903.03; and (D) The actual annual emissions speciated by individual regulated air pollutants, including a breakdown of VOC emissions by compound.	Annually (no later than April 15th of the following year) to DES	Facility Wide	Env-A 907.01 State-only Enforceable
4.	Prompt reporting of deviations from Permit requirements within 24 hours of such an occurance by phone or fax in accordance with Section XXVIII. of this Permit.	Prompt reporting (ie; within 24 hours of an occurrence) to DES	Facility wide	40 CFR 70.6(a)(3)(iii)(B) Federally Enforceable
5.	The permittee shall submit to the director an annual fuel usage report indicating monthly or period fuel usage and consecutive twelve month or 13 period fuel usage totals at the end of each calendar month or period for that calendar year.	Annually (no later than April 15th of the following year) to DES	Facility Wide	40 CFR 70.6 (a)(1) Federally Enforceable
6.	The permittee shall submit to the Director an annual chemical usage report and production report containing the following information: For the paper machines (A) Tons of paper produced for each grade of paper on a period basis; (B) Hours of operation per period; (C) Hours of operation per year; (D) Total quantities of coating components used on a period basis; (E) Total quantities of coating components used on an annual basis; (F) Total VOCs emitted on an annual basis; and (G) Individual and total annual HAP emissions. For the coater (A) Pounds or tons of paper produced for each grade of paper on a period basis; (B) Hours of operation per period; (C) Hours of operation per year; (D) Total quantities of each coating used on a period basis; (E) Total quantities of each coating used on an annual basis; (F) Total VOCs emitted on an annual basis; and (G) Individual and total annual HAP emissions.	Annually (no later than April 15th of the following year) to DES	Facility Wide	40 CFR 70.6(a)(1) Federally Enforceable

	Table 7 - Applicable Reporting Requirements			
7.	The Permittee shall submit to the DES a summary report of monitoring and testing requirements every 6 months. All instances of deviations from Permit requirements must clearly be identified in such reports. All required reports must be certified by a responsible official consistent with section 70.5(d). The report shall contain a summary of the following information: (A) Preventative maintenance and inspection results for stacks and fuel burning devices; (B) A summary report of the boiler tuneups required in the Applicable Monitoring/Testing section of this permit; (C) Fuel sulfur content for each delivery of No. 6 fuel oil received; (D) Opacity measurements; and (E) Analyses for each batch of on-site generated used oil which was blended with No. 6 fuel oil for burning in the boilers. (F) Any permit deviation subject to Section XXVIII. Upon request by DES or EPA, MPM may be required to submit all support documentation for compliance with VOC RACT limits for coatings used on the paper machine size presses or the paper coater.	Every 6 months by July 31st and January 31st of each calendar year to DES and EPA	Facility wide	40 CFR 70.6(a)(3)(iii)(A) Federally Enforceable
8.	Any report submitted to the DES and/or EPA shall include the compliance certification statement as outlined in Section XXI.B. of this Permit and shall be signed by the responsible official.	As specified	Facility wide	40 CFR 70.6(c)(1) Federally Enforceable
9.	Annual reporting and payment of emission based fees shall be conducted in accordance with Section XXIII of this Permit.	As specified in Section XXIII. To DES	Facility wide	Env-A 704.03 Federally Enforceable
10.	Annual compliance certification shall be submitted in accordance with Section XXI. of this Permit.	April 15th to DES and EPA	Facility wide	40 CFR 70.6(c)(1) Federally Enforceable

VIII. G. Compliance Plan

In addition to the above state and federally enforceable requirements, Monadnock Papers shall adhere to the schedule put forth in the Compliance Plan received May 8, 2000 listed below pursuant to Env-A 1709.01(h) for Emission Units EU3, EU4, & EU5 (Paper Machines #1 & #2 and the Coater #1). Monadnock Papers shall submit progress reports to DES upon completion of the major milestones as detailed in the Compliance Plan schedule listed below. If milestone dates will not be met or are not met, Monadnock Papers shall submit to DES in writing, the reasons and a good faith estimate of completion.

Description of Action Required	**Completion Date**
Provide DES with an update on formaldehyde emissions reductions	February 1, 2001
Conduct stack testing for formaldehyde emissions as described in Table 5, Item 7.	March 1, 2001
Model emissions of formaldehyde to determine compliance with Env-A 1400 and determine any necessary process restrictions in hours of operation or limits on simultaneous production of formaldehyde grades of paper on the Paper Machines #1 & #2, and Coater #1.	April 1, 2001
Adjust hours of operation, if necessary.	May 8, 2001

IX. Requirements Currently Not Applicable:

The Permittee identified the following requirements listed in Table 8 below, which are not applicable to the facility at the time of permit issuance.

Table 8 - Requirements Currently Not Applicable

Statutes and Regulations	Requirement & Reason
CAA Section 111, 42 U.S.C. 7411	New Source Performance Standards. MPM does not have any new equipment subject to these standards.
CAA Section 112(g), 42 U.S.C. 7412	Requirement to establish case-by-case MACT standards for construction of new sources and modifications of existing sources which are major sources of HAPs for which there is not an applicable emission limitation established by the EPA administrator. MPM is currently not a major source of HAPs, nor has it constructed a new source or made modifications at the facility which would require a case-by-case MACT standard to be developed..
CAA Section 123, 42 U.S.C. 7423	Requirement for establishing Good Engineering Practice stack height. MPM used actual stack heights in ambient air dispersion modeling analyses to show compliance with applicable requirements in its Title V Operating Permit.
40 CFR 82	Stratospheric Ozone Protection. MPM does not have any freon containing air conditioning units greater than 50 pounds in capacity.

Table 8 - Requirements Currently Not Applicable	
40 CFR 63	National Emissions Standards for Hazardous Air Pollutants. MPM is not a major source (greater than 10 tons per year of an individual HAP or greater than 25 tons per year of any combination of HAPs) of HAPs and at the time of permit issuance, no standards have been promulgated which are applicable to the facility. However, EPA is in process of developing a MACT for paper and web coating at this time, which may or may not be applicable to MPM.
Env-A 608	State Permits to Operate. Once the facility is issued a final Title V Operating Permit, previously issued State Permits to Operate for the Boilers 1 & 2 and the Emergency Generator will be null and void. The Title V Permit will govern.
Env-A 610	General State Permits and General Permits Under Title V. Not applicable to MPM in that it is a major source and all affected units are covered in its Title V Operating Permit.
Env-A 611	General Acid Rain Permitting Requirements. MPM is not a source subject to Title IV of the Clean Air Act and hence this section is not applicable.
Env-A 613	Additional Division Review of Permit Applications Under the Bubble Concept. MPM did not request for an alternative emission control combining stacks at the facility.
Env-A 2106	Emissions standards for acid mists from process, manufacturing, or service based industries. There are no acid mists resulting from process operations at MPM.
Env-A 1204.09 and 1204.11 through 1204.26	VOC RACT requirements for specific source categories other than coating of paper, unless MPM makes a modification or addition in the future which includes a new source category for which there is an applicable requirement in Env-A 1204.
Env-A 1211.03 & 1211.04, Env-A 1211.06 through 1211.10, & Env-A 1211.12 through 1211.14	NOx RACT requirements for control of NOx emissions from source categories stipulated here, other than industrial boilers and emergency generators.

General Title V Operating Permit Conditions

X. Issuance of a Title V Operating Permit:

A. This Permit is issued in accordance with the provisions of Part Env-A 609. In accordance with RSA 125-C:11, I-a and consistent with 40 CFR 70.6(a)(2) this Permit shall expire on the date specified on the cover page of this Permit, which shall not be later than the date five (5) years after issuance of this Permit.

Permit expiration terminates the Permittee's right to operate the Permittee's emission units, control equipment or associated equipment covered by this Permit, unless a timely and complete renewal application is submitted at least 6 months before the expiration date.

B. Pursuant to Env-A 609.02(b), this Permit shall be a state permit to operate as defined in RSA 125-C:11, III.

XI. Title V Operating Permit Renewal Procedures:

Pursuant to Env-A 609.06(b), an application for renewal of this Permit shall be considered timely if it is submitted to the Director at least six months prior to the designated expiration date of this Permit.

XII. Application Shield:

Pursuant to Env-A 609.07, if an applicant submits a timely and complete application for the issuance or renewal of a Title V Permit, the failure to have a Title V Permit shall not be considered a violation of Part Env-A 609 until the Director takes final action on the application.

XIII. Permit Shield:

A. Pursuant to Env-A 609.08(a), a permit shield shall provide that:

1. For any applicable requirement or any state requirement found in the New Hampshire Rules Governing the Control of Air Pollution specifically included in this Permit, compliance with the conditions of this Permit shall be deemed compliance with said applicable requirement or said state requirement as of the date of permit issuance; and

2. For any potentially applicable requirement or any potential state requirement found in the New Hampshire Rules Governing the Control of Air Pollution specifically identified in Section IX of this Permit as not applicable to the stationary source or area source, the Permittee need not comply with the specifically identified federal or state requirements.

B. The permit shield identified in Section XIII.A. of this Permit shall apply only to those conditions incorporated into this Permit in accordance with the provisions of Env-A 609.08(b). It shall not apply to certain conditions as specified in Env-A 609.08(c) that may be incorporated into this Permit following permit issuance by the DES.

C. If a Title V Operating Permit and amendments there to issued by the DES does not expressly include or exclude an applicable requirement or a state requirement found in the NH Rules

Governing the Control of Air Pollution, that applicable requirement or state requirement shall not be covered by the permit shield and the Permittee shall comply with the provisions of said requirement to the extent that it applies to the Permittee.

D. If the DES determines that this Title V Operating Permit was issued based upon inaccurate or incomplete information provided by the applicant or Permittee, any permit shield provisions in said Title V Operating Permit shall be void as to the portions of said Title V Operating Permit which are affected, directly or indirectly, by the inaccurate or incomplete information.

E. Pursuant to Env-A 609.08(f), nothing contained in Section XIII of this Permit shall alter or affect the ability of the DES to reopen this Permit for cause in accordance with Env-A 609.18 or to exercise its summary abatement authority.

F. Pursuant to Env-A 609.08(g), nothing contained in Section XIII of this Permit or in any title V operating permit issued by the DES shall alter or affect the following:

1. The ability of the DES to order abatement requiring immediate compliance with applicable requirements upon finding that there is an imminent and substantial endangerment to public health, welfare, or the environment;

2. The state of New Hampshire's ability to bring an enforcement action pursuant to RSA 125-C:15,II;

3. The provisions of section 303 of the Act regarding emergency orders including the authority of the EPA Administrator under that section;

4. The liability of an owner or operator of a source for any violation of applicable requirements prior to or at the time of permit issuance;

5. The applicable requirements of the acid rain program, consistent with section 408(a) of the Act;

6. The ability of the DES or the EPA Administrator to obtain information about a stationary source, area source, or device from the owner or operator pursuant to section 114 of the Act; or

7. The ability of the DES or the EPA Administrator to enter, inspect, and/or monitor a stationary source, area source, or device.

XIV. Reopening for Cause:

The Director shall reopen and revise a Title V Operating Permit for cause if any of the circumstances contained in Env-A 609.18(a) exist. In all proceedings to reopen and reissue a Title V Operating Permit, the Director shall follow the provisions specified in Env-A 609.18(b) through (g).

XV. Administrative Permit Amendments:

A. Pursuant to Env-A 612.01, the Permittee may implement the changes addressed in the request for

an administrative permit amendment as defined in Part Env-A 100 immediately upon submittal of the request.

B. Pursuant to Env-A 612.01, the Director shall take final action on a request for an administrative permit amendment in accordance with the provisions of Env-A 612.01(b) and (c).

XVI. Operational Flexibility:

A. Pursuant to Env-A 612.02(a), the Permittee subject to and operating under this Title V Operating Permit may make changes involving trading of emissions under this existing Title V Operating Permit at the permitted stationary source or area source without filing a Title V Operating Permit application for and obtaining an amended Title V Operating Permit, provided that all the conditions are met as specified in Section XVI. A. 1. through 7. of this permit and a notice is submitted to the DES and EPA describing the intended changes. At this point, the DES has not included any permit terms authorizing emissions trading in this permit.

1. The change is not a modification under any provision of title I of the Act;

2. The change does not cause emissions to exceed the emissions allowable under the title V operating permit, whether expressed therein as a rate of emissions or in terms of total emissions;

3. The owner or operator has obtained any temporary permit required by Env-A 600;

4. The owner or operator has provided written notification to the director and administrator at least 15 days prior to the proposed change and such written notification includes:

    a. The date on which each proposed change will occur;

    b. A description of each such change;

    c. Any change in emissions that will result and how this change in emissions will comply with the terms and conditions of the permit;

    d. A written request that the operational flexibility procedures be used; and

    e. The signature of the responsible official, consistent with Env-A 605.04(b);

5. The title V operating permit issued to the stationary source or area source already contains terms and conditions including all terms and conditions which determine compliance required under 40 CFR 70.6(a) and (c) and which allow for the trading of emissions increases and decreases at the permitted stationary source or area source solely for the purpose of complying with a federally-enforceable emissions cap that is established in the permit independent of otherwise applicable requirements;

6. The owner or operator has included in the application for the title V operating

permit proposed replicable procedures and proposed permit terms which ensure that the emissions trades are quantifiable and federally enforceable for changes to the title V operating permit which qualify under a federally- enforceable emissions cap that is established in the title V operating permit independent of the otherwise applicable requirements; and

7. The proposed change complies with Env-A 612.02 (e).

B. Pursuant to Env-A 612.02(c), the Permittee subject to and operating under this Title V Operating Permit may make changes not addressed or prohibited by this existing Title V Operating Permit at the permitted stationary source or area source without filing a Title V Operating Permit application, provided that all the conditions specified in Env-A 612.02(c)(1) through (6) are met and a notice is submitted to the DES and EPA describing the intended changes.

C. Pursuant to Env-A 612.02(d), the Permittee, Operator, Director and Administrator shall attach each notice of an off-permit change completed in accordance with Section XVI of this Title V Operating Permit to their copy of the current Title V Operating Permit.

D. Pursuant to Env-A 612.02(e), any change under Section XVI shall not exceed any emissions limitations established under the NH Rules Governing the Control of Air Pollution, or result in an increase in emissions, or result in new emissions, of any toxic air pollutant or hazardous air pollutant other than those listed in the existing Permit.

E. Pursuant to Env-A 612.02(f), the off-permit change shall not qualify for the permit shield under Env-A 609.08.

XVII. Minor Permit Amendments:

A. Pursuant to Env-A 612.04 prior to implementing a minor permit modification, the Permittee shall submit a written request to the Director in accordance with the requirements of Env-A 612.04(b).

B. The Director shall take final action on the minor permit amendment request in accordance with the provisions of Env-A 612.04(c) through (g).

C. Pursuant to Env-A 612.04(h), the permit shield specified in Env-A 609.08 shall not apply to minor permit amendments under Section XVII. of this Permit.

D. Pursuant to Env-A 612.04(i), the Permittee shall be subject to the provisions of Part Env-A 614 and Part Env-A 615 if the change is made prior to the filing with the Director a request for a minor permit amendment.

XVIII. Significant Permit Amendments:

A. Pursuant to Env-A 612.05, a change at the facility shall qualify as a significant permit amendment if it meets the criteria specified in Env-A 612.05(a)(1) through (7).

B. Prior to implementing the significant permit amendment, the Permittee shall submit a written

request to the Director and to the EPA which includes all the information as referenced in Env-A 612.05(b) and (c) and shall be issued an amended Title V Operating Permit from the DES. The Permittee shall be subject to the provisions of Env-A 614 and Env-A 615 if a request for a significant permit amendment is not filed with the Director and/or the change is made prior to the issuance of an amended Title V Operating Permit.

C. The Director shall take final action on the significant permit amendment in accordance with the procedures specified in Env-A 612.05(d), (e) and (f).

XIX. Title V Operating Permit Suspension, Revocation or Nullification:

A. Pursuant to RSA 125-C:13, the Director may suspend or revoke any final permit issued hereunder if, following a hearing, the Director determines that:

1. The Permittee has committed a violation of any applicable statute or state requirement found in the New Hampshire Rules Governing the Control of Air Pollution, order or permit condition in force and applicable to it; or

2. That the emissions from any device to which this Permit applies, alone or in conjunction with other sources of the same pollutants, presents an immediate danger to the public health.

B. The Director shall nullify any Permit, if following a hearing in accordance with RSA 541-A:30, II, a finding is made that the Permit was issued in whole or in part based upon any information proven to be intentionally false or misleading.

XX. Inspection and Entry:

Pursuant to Env-A 614.01, EPA and DES personnel shall be granted access to the facility covered by this Permit, in accordance with RSA 125-C:6,VII for the purposes of: inspecting the proposed or permitted site; investigating a complaint; and assuring compliance with any applicable requirement or state requirement found in the NH Rules Governing the Control of Air Pollution and/or conditions of any Permit issued pursuant to Chapter Env-A 600.

XXI. Certifications:

A. Compliance Certification Report

In accordance with 40 CFR 70.6(c) the Responsible Official shall certify, annually from the date of issuance (during the first year it will be from date of permit issuance until December 31st, for the remainder of the permit term it will be for each calendar year), that the facility is in compliance with the requirements of this permit. The report shall be submitted to the DES and to the Regional Administrator, U.S. Environmental Protection Agency - New England Region. The report shall be submitted in compliance with the submission requirements below.

In accordance with 40 CFR 70.6(c)(5), the report shall describe:

1. The terms and conditions of the Permit that are the basis of the certification;

2. The current compliance status of the source with respect to the terms and conditions of this Permit, and whether compliance was continuous or intermittent during the reporting period;

3. The methods used for determining compliance, including a description of the monitoring, record keeping, and reporting requirements and test methods; and

4. Any additional information required by the DES to determine the compliance status of the source.

B. Certification of Accuracy Statement

All documents submitted to the DES shall contain a certification of accuracy statement by the responsible official of truth, accuracy, and completeness. Such certification shall be in accordance with the requirements of 40 CFR 70.5(d) and contain the following language:

"I am authorized to make this submission on behalf of the facility for which the submission is made. Based on information and belief formed after reasonable inquiry, I certify that the statements and information in the enclosed documents are to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

XXII. Enforcement:

Any noncompliance with a permit condition constitutes a violation of RSA 125-C:15, and, as to the conditions in this permit which are federally enforceable, a violation of the Clean Air Act, 42 U.S.C. section 7401 et seq., and is grounds for enforcement action, for permit termination or revocation, or for denial of an operating permit renewal application by the DES and/or EPA. Noncompliance may also be grounds for assessment of administrative, civil or criminal penalties in accordance with RSA 125-C:15 and/or the Clean Air Act. This Permit does not relieve the Permittee from the obligation to comply with any other provisions of RSA 125-C, the New Hampshire Rules Governing the Control of Air Pollution, or the Clean Air Act, or to obtain any other necessary authorizations from other governmental agencies, or to comply with all other applicable Federal, State, or Local rules and regulations, not addressed in this Permit.

In accordance with 40 CFR 70.6 (a)(6)(ii) a Permittee shall not claim as a defense in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this Permit.

XXIII. Emission-Based Fee Requirements:

A. The Permittee shall pay an emission-based fee annually for this facility as calculated each calendar year pursuant to Env-A 704.03.

B. The Permittee shall determine the total actual annual emissions from the facility to be included in the emission-based multiplier specified in Env-A 704.03(a) for each calendar year in accordance with the methods specified in Env-A 620.

C. The Permittee shall calculate the annual emission-based fee for each calendar year in accordance with the procedures specified in Env-A 704.03 and the following equation:

$$FEE = E \times DPT \times CPIm \times ISF$$

Where:

FEE =	The annual emission-based fee for each calendar year as specified in Env-A 704.
E =	The emission-based multiplier is based on the calculation of total annual emissions as specified in Env-A 704.02 and the provisions specified in Env-A 704.03(a).
DPT =	The dollar per ton fee the DES has specified in Env-A 704.03(b).
CPIm=	The Consumer Price Index Multiplier as calculated in Env-A 704.03(c).
ISF =	The Inventory Stabilization Factor as specified in Env-A 704.03(d).

D. The Permittee shall contact the DES each calendar year for the value of the Inventory Stabilization Factor.

E. The Permittee shall contact the DES each calendar year for the value of the Consumer Price Index Multiplier.

F. The Permittee shall submit, to the DES, payment of the emission-based fee by October 15th of the following calendar year and a summary of the calculations referenced in Section XXIII.B. of this permit by April 15th of the following calendar year for each calendar year in accordance with Env-A 704.04. The emission-based fee shall be made payable to: Treasurer-State of NH and shall be submitted with the summary of the calculations to the following address:

New Hampshire Department of Environmental Services
Air Resources Division
6 Hazen Drive
P.O. Box 95
Concord, NH 03302-0095
ATTN: Emissions Inventory

G. The DES shall notify the Permittee of any under payments or over payments of the annual emission-based fee in accordance with Env-A 704.05.

XXIV. Duty To Provide Information

In accordance with 40 CFR 70.6 (a)(6)(v), upon the DES's written request, the Permittee shall furnish, within a reasonable time, any information necessary for determining whether cause exists for modifying, revoking and reissuing, or terminating the Permit, or to determine compliance with the Permit. Upon request, the Permittee shall furnish to the DES copies of records that the Permittee is required to retain by this Permit. The Permittee may make a claim of confidentiality as to any information submitted pursuant to this condition in accordance with Part Env-A 103 at the time such information is submitted to the DES. The DES shall evaluate such requests in accordance with the provisions of Part Env-A 103.

XXV. Property Rights

Pursuant to 40 CFR 70.6 (a)(6)(iv), this Permit does not convey any property rights of any sort, or any exclusive privilege.

XXVI. Severability Clause

Pursuant to 40 CFR 70.6 (a)(5), the provisions of this Permit are severable, and if any provision of this Permit, or the application of any provision of this Permit to any circumstances is held invalid, the application of such provision to other circumstances, and the remainder of this Permit, shall not be affected thereby.

XXVII. Emergency Conditions

Pursuant to 40 CFR 70.6 (g), the Permittee shall be shielded from enforcement action brought for noncompliance with technology based[10] emission limitations specified in this Permit as a result of an emergency[11]. In order to use emergency as an affirmative defense to an action brought for noncompliance, the Permittee shall demonstrate the affirmative defense through properly signed, contemporaneous operating logs, or other relevant evidence that:

A. An emergency occurred and that the Permittee can identify the cause(s) of the emergency;

B. The permitted facility was at the time being properly operated;

C. During the period of the emergency, the Permittee took all reasonable steps as expeditiously as possible, to minimize levels of emissions that exceeded the emissions standards, or other requirements in this Permit; and

D. The Permittee submitted notice of the emergency to the DES within two (2) business days of the time when emission limitations were exceeded due to the emergency. This notice must contain a description of the emergency, any steps taken to mitigate emission, and corrective actions taken.

XXVIII. Permit Deviation

In accordance with 40 CFR 70.6(a)(3)(iii)(B), the Permittee shall report to the DES all instances of deviations from Permit requirements, by telephone or fax, within 24 hours of discovery of such

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[10] Technology based emission limits are those established on the basis of emission reductions achievable with various control measures or process changes (e.g., a new source performance standard) rather than those established to attain health based air quality standards.

[11] An "emergency" means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation would require immediate corrective action to restore normal operation, and that causes the source to exceed a technology based limitation under the permit, due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventative maintenance, careless or improper operations, operator error or decision to keep operating despite knowledge of any of these things.

deviation. This report shall include the deviation itself, including those attributable to upset conditions as defined in the Permit, the probable cause of such deviations, and any corrective actions or preventative measures taken. Said Permit deviation shall also be submitted in writing to the DES in the next semi-annual report which is due on July 31st or January 31st for the previous 6-month period. Deviations are instances where any Permit condition is violated and has not already been reported as an emergency pursuant to Section XXVII of this Permit.

Reporting a Permit deviation is not an affirmative defense for action brought for noncompliance.

Appendix A

List of All Emergency Generators Located at Monadnock Paper Mill			
Location	Number of Units	Rated Generator Power Output (kW)	Type of Fuel
Building 5	1 (1.8 mmBtu/hr gross heat input rate)	175	No. 2 fuel oil

Addendum - List of Insignificant Activities at Monadnock Paper Mill

Insignificant Activities (Emissions to be included in annual fee payment)			
Source ID	Process/Equipment	Use	Description
2a, b, c, d	Fuel Oil Storage Tanks	Displacement Vent	Working and breathing losses while material in tank and during filling
39	Paper Machine Room	Comfort Exhaust Fan	Minor dust source
52	Paper Machine Room	Comfort Exhaust Fan	Minor dust source
105	Fire Pump Engine	Exhaust	Emissions from fuel burned
108	Hot Air Furnace	Power Vent/Exhaust	Emissions from fuel burned
113	Hot Melt Adhesive Wrap	Comfort Exhaust Fan	Volatilization of petroleum wax
116	Wastewater Treatment Plant Lagoons	Formaldehyde and other chemicals added at the paper machines	VOC emissions